LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7246 NOTE PREPARED: Feb 19, 2007 **BILL NUMBER:** HB 1693 **BILL AMENDED:** Feb 15, 2007

SUBJECT: Motor Carriers.

FIRST AUTHOR: Rep. Cochran

BILL STATUS: 2nd Reading - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: State & Local

X DEDICATED FEDERAL

Summary of Legislation: (Amended) This bill:

(1) provides certain deadlines for the renewal of motor carrier registrations under the International Registration Plan (IRP); (2) provides penalties for a motor carrier that fails to timely register under the IRP; (3) makes various changes to conform with the Unified Carrier Registration System; (4) requires that a license plate must be displayed on the front of a dump truck; and (5) repeals obsolete provisions concerning interstate express companies.

Effective Date: January 1, 2007 (retroactive); July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) (1 and 2) Providing certain deadlines for IRP renewals could result in additional revenue via the penalties for failure to timely register. In CY 2000, revenue from these penalties amounted to about \$440,000. These penalties were previously contained in a regulation that was sunset. The fund affected is the Motor Vehicle Highway Account (MVHA) into which IRP revenues are deposited.

(3) The State Department of Revenue reports that making various changes to conform with the Unified Carrier Registration System could mean additional revenue accruing to the state, the amount of which is not determinable at this time because the rates and fees have yet to be established for the program. The fund affected is the Motor Carrier Regulation Fund, which supports the operation of the Motor Carrier Services Division of the State Department of Revenue.

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Fund	Uses
Motor Vehicle Highway Account	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue
Motor Carrier Regulation Fund	Funds the administration and enforcement of IC 8-2.1-23-1; IC 6-6-4.1 (Motor Carrier Fuel Tax); and IC 6-8.1-4-4 (Establishment of a regulation center to service owners of commercial vehicles under the supervision of the Motor Carrier Services Division).

Explanation of Local Expenditures:

Explanation of Local Revenues:

<u>State Agencies Affected:</u> State Department of Revenue, Department of Transportation, Bureau of Motor Vehicles, and State Police, all as recipients of MVHA distributions.

<u>Local Agencies Affected:</u> Recipients of MVHA distributions.

<u>Information Sources:</u> Tom Conley, Administrator, Tax Policy Division, State Department of Revenue, 317-232-2107; Linda Risley, Deputy Administrator, Motor Carrier Services Division, State Department of Revenue, 317-615-7205; Bureau of Motor Vehicles data.

Fiscal Analyst: James Sperlik, 317-232-9866.

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